GOVERNMENT OF INDIA
COMMUNICATIONS
LOK SABHA

UNSTARRED QUESTION NO:2967
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Utilization of Postal Services
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Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether utilisation of postal services has decreased drastically during the last decade and if so, the details thereof and the reasons therefor;

(b) whether the services of India post are going down rapidly in comparison to the private courier companies;

(c) if so, the details thereof and the reasons therefor along with the steps taken by the Government in this regard;

(d) whether post offices have been upgraded/proposed to be upgraded as multi-facility providers having ATM/ money transfer/foreign exchange etc. to attract more number of people that will make it economically viable and if so, the details thereof;

(e) the new services launched/ proposed to be launched in the post offices to make it economically viable; and

(f) whether the Government is encouraging private investment in the postal sector and if so, the details of the private and foreign investment made during the last one year?

Answer

THE MINISTER OF STATE (IC) OF THE MINISTRY OF COMMUNICATIONS &
MINISTER OF STATE IN THE MINISTRY OF RAILWAYS
(SHRI MANOJ SINHA)

(a) No, Madam. There is no drastic decrease in utilization of postal services during the last decade. Department of Posts, India offers numerous products & services. Utilization of some of the services has increased while utilization of some of the services have varied upward and downward in different periods of last decade, the details of which are furnished below:
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Year MONEY ORDER
(in Lakhs) Unregistered Mails
(in Crore) Registered Mails
(in Crore)
2005-06 957.9 649.21 20.85
2006-07 991.0 645.98 21.73
2007-08 910.5 619.13 19.98
2008-09 866.9 634.27 19.82
2009-10 813.5 614.65 19.58
2010-11 577.1 615.76 17.79
2011-12 698.7 577.87 19.11
2012-13 871.1 541.63 17.93
2013-14 924.0 550.80 20.08
2014-15 927.4 540.71 20.48
2015-16 797.7 561.49 19.83
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In the above table, it can be seen that there is no drastic decrease in utilization of the above service. The Money Order service has decreased due to emergence of ATMs, Mobile Wallets, Core Banking etc. However, there is a gradual decrease in the volume of unregistered mails. The reason of this decline is basically decrease of personal communications due to Mobile, Internet, e-Mails. Physical Business Communications have also decreased due to the above reasons. There is a slight variation in respect of Registered Mails because people prefer Speed Post Service which provides faster delivery of their articles.

(b) No, Madam. The Services of India Post are not going down in comparison to the private courier companies in the country. In contrast, the market share of Speed Post in the overall courier market has increased. A Comptroller and Auditor General (CAG) study has found private couriers deliver only 90% of letters compared to 99% by speed post. It is also added that in major cities, the performance of speed post is faster and more reliable. The postal service delivers 99% of letters through speed post within the stipulated time as compared to 92% by private courier services. A study survey was also carried out by M/s Indian Market Research Bureau (IMRB) International in this regard in 2013 and as per this survey; the total courier industry in India is valued at Rs. 5,246 crore in 2012-13. The IMRB study brings out that the share of Speed Post in the overall courier market has increased from 15.1%-18.3% in

the year 2010-11 to 16.7%-19.8% in the year 2011-2012 and 17.4% - 20.2% in the year 2012-13. In the subsequent years also, the traffic of Speed Post registered an increase from 36.99 crore in 2013-14 to 39.87 crore in 2014-15 to 41.43 crore in 2015-2016 and 46.31 crore in 2016-17. Likewise, the revenue of Speed Post also increased from Rs. 1372.21 crore in 2013-14 to Rs. 1495.21 crore in 2014-15 to Rs. 1600.45 crore in 2015-16 and Rs. 1774.02 in 2016-17.

(c) Does not arise in view of (b) above.

(d) Yes, Madam. The number of functional Post Offices has increased from 1,52,792 in the year 1994-95 to 1,54,910 in the year 2016-17 which shows that the use of Post Offices has increased in the country. The total number of Departmental Post Offices in the country, presently, is 25,565 which are providing multi-facilities to the public. The Department has rolled out Core Banking Solution (CBS) in 23,091 Post Offices and ATMs have been installed at 968 locations; Debit cards have been issued to Post Office Saving Bank customers. Rural Branch Post Offices are being upgraded by providing information and communication Technology (ICT) enabled hand held devices for online banking transaction and payment of Electronic Money Orders (eMOs). 31,393 Rural ICT and hand held devices have been deployed in 14 States as on 24.07.2017. Money remittance service to customers in India from around 195 countries on a real time basis is being operated in association with Western Union and Money Gram from 9,942 locations. Facilities like electronic Money Orders (eMO) service in 25,469 Post Offices, instant Money Order service (iMO) in 16,977 Post Offices and Mobile Money Transfer Service (MMTS) in 15,000 Post Offices are provided to the public. Besides, facilities like PLI/RPLI, MGNREGS Payments, Cash on Delivery, e-Payment, Bill Mail service, Indian Postal Orders, Speed Post, Business Post, Express Parcel, Business Parcel Logistics Posts, shops@post, Jan Suriksha scheme are provided to attract more customers & make all Post Offices economically viable. Furthermore, the Department constantly reviews its products and services from the customers' perspective and market requirements and diversifies its product portfolio in order to provide efficient and customer-oriented services and this has further enhanced the relevance of the post offices. DoP has launched e-iPO in 2013 to enable Indian Citizens living abroad to pay RTI fee online. Further facility was extended to Indian Citizens w.e.f 13.02.2014. Deptt. is in process to initiate e-iPO for other denominations of Rs. 20, 50 and 100/- which may be used for different purposes.

(e) Department of Posts has introduced a number of business products as part of diversification of its activities in order to leverage the vast retail and delivery network:
â€¢ Passport Seva Kendras are being setup in selected Post Offices in collaboration with MEA for providing passport services through Post Offices
â€¢ Aadhaar Updation and Enrolment Centers are being setup in selected Post Offices in collaboration with UIDAI for providing Aadhaar related services.
â€¢ Acceptance of payment of utility bills e.g. Electricity, water, telephone etc.
â€¢ Acceptance of Examination Fee for various institutions
â€¢ Booking of Railway Tickets
â€¢ Verification of addresses etc
â€¢ Sale of Philatelic items through e-post office
â€¢ My Stamp (Personalized & Customized)
â€¢ A Memorandum of Understanding (MoU) has been signed between the Department of Posts and the Ministry of Labor and Employment (MoLE) on 4th Nov 2016 to leverage Post Offices as Employment Registration Centres for unemployed youth. The pilot project was launched in 95 Head Post Offices in AP & Telangana on 12-02-2017 at Hyderabad.

(f) No, Madam.

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